

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES					
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY		
▲ 0.76%	▲ 0.06%	\$1,729.77	\$38.73	▲ 0.72%	▲ 0.75%	▲ 0.72%	▲ 0.04%	83.95	93.50	104.44	11.73		
3,964.28	6,821.81	(per ounce)	(per barrel)	33,780.89	22,305.48	2,684.63	2,919.74	BUY TK	SELL TK	84.95	97.30	108.24	12.33



Star BUSINESS

DHAKA MONDAY JUNE 15, 2020, ASHAR 1, 1427 BS • starbusiness@thedailystar.net

New VAT, SD measures looking like silver lining

SOHEL PARVEZ

The revenue authority may get an additional Tk 11,000 crore next fiscal year because of the new value-added tax (VAT) and supplementary duty (SD) measures, according to an estimate by the National Board of Revenue (NBR).

"We also expect to get nearly Tk 8,000 crore from normal growth of businesses," said a senior official of the NBR.

The disclosure came as the VAT department has been assigned to collect 38 per cent of the NBR's target of Tk 330,000 crore for the next fiscal year.

Analysts and taxmen said achieving the target would be impossible as the lockdown and wreckage in the economy already caused a drop in revenue collection.

And the new VAT target is 14 per cent higher than the revised goal of Tk 109,800 crore set by the government for the outgoing fiscal year when overall VAT collection is unlikely to cross Tk 100,000 crore.

Yet, the responsibility on the shoulders of VAT officials has increased further in the

next fiscal year.

Together with collecting a portion of SD from the domestic trade, the NBR will have to log in 55 per cent of the total revenue goal from the two sources.

To increase the collection of VAT receipts, the NBR hiked the prices of health-hazardous cigarettes by up to 5 per cent for each 10-stick pack in the low, high and premium segment, except the medium price segment.

However, except for the low-price segment of cigarettes, the SD rates have been kept unchanged for the next fiscal year.

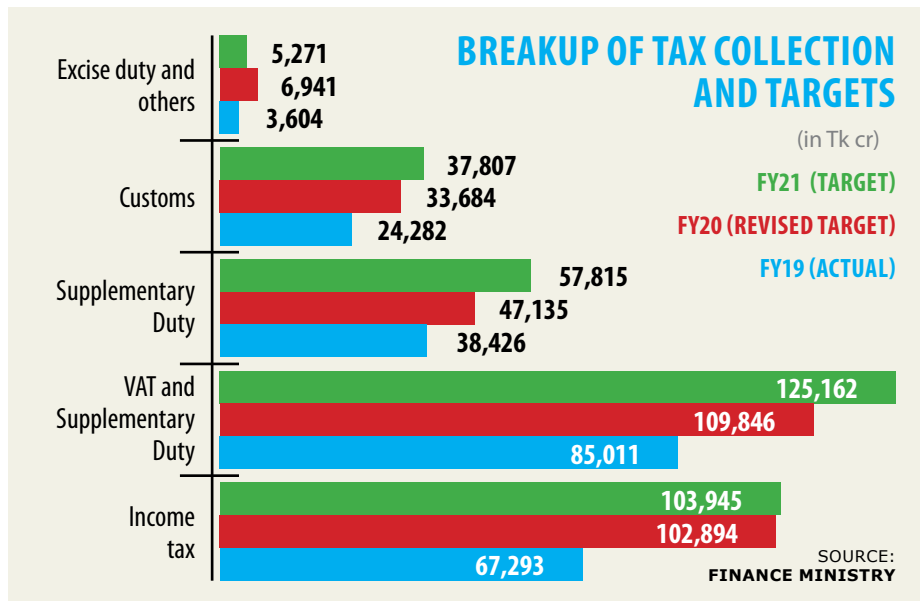
Depending on price slabs, smokers will have to pay from 57 per cent to 65 per cent of SD for every 10-stick next fiscal year, up from 55 to 65 per cent in the outgoing fiscal year, according to the NBR.

The official said the additional Tk 8,000 crore VAT and SD might come owing to the spike in prices of the tobacco products, including cigarettes and biri, a kind of handmade cigarettes used by the low-income groups.

Cigarette is the biggest sources of VAT and SD and the revenue authority collected Tk 25,500 crore in fiscal 2018-19, up 16 per cent year-on-year.

The collection was 30 per cent of the total VAT generated in fiscal 2018-19, according to NBR data.

The increased SD on mobile phone usage from this fiscal year's 10 per cent



Measure	Amount
Hike in cigarette prices	8,000
Spike in supplementary duty on mobile use	1,500
Other measures	900
Excise duty increase on high-ticket account holders	300

to 15 per cent in fiscal 2020-21 is likely to bring in an extra Tk 1,500 crore revenue, according to the estimate.

Mobile phones and SIM cards were the third biggest sources of VAT and SD after

Relief for big investors as floor price lifted from block market

But small investors left in the lurch

AHSAN HABIB

The country's twin bourses yesterday withdrew the floor price from the block market allowing big investors to trade shares at rates lower than the existing ones in the main market.

The block market is a platform of an exchange where a large number of stocks are traded in a single transaction at a negotiated price without affecting the index. The trading amount should be at least Tk 5 lakh.

The new move, however, meant nothing for the small investors as the main market would still be ruled by the floor price.

On March 19, the Bangladesh Securities and Exchange Commission (BSEC) imposed the floor price of all stocks by calculating their last five days' average prices to stop the index from falling amid the pandemic-induced rout. It was applicable for the block market as well.

The initiative made the stock market illiquid as investors could not trade stocks below the floor price even at the block market.

Subsequently, the turnover, one of the key indicators of the stock market, has dropped to Tk 60 crore on an average since the market opened after closure for more than two months owing to the shutdown imposed to flatten the curve on the deadly virus.

Many institutional and foreign investors had criticised the regulator for the decision because they were unable to sell shares at the floor price, which was a bit higher than that the market-determined price.

On this backdrop, the BSEC ordered the stock exchanges last week to scrap the floor price from the block market and it was implemented yesterday.

"Now, big investors will be allowed to trade shares in the block market at 10 per cent lower than the floor price," said Mamun-Ur-Rashid, managing director of the Chittagong Stock Exchange.

The decision was implemented to facilitate trading through the block market, he added.

The move was taken so that big investors, except directors of the listed companies, can buy and sell stocks at lower than the floor price without affecting the index, said a top official of the Dhaka Stock Exchange (DSE).

"We hope the turnover will go up in the block market thanks to the decision," he added.

The decision would give some relief to the big investors, said a top official of a merchant bank.

"But it does not mean anything to the small investors because the main market is still illiquid due to a lack of buyers."

If a small investor faces any problem and tries to sell shares, it is simply not possible, he said.

"The problems of the small investors would not be solved until the floor price lifted from the main market."

Many stock investors are favouring the floor price but it would create a huge problem in the long-run for the market, a stockbroker said.

"Investors are now happy to see an artificial increase in the price of shares in the portfolio. But it doesn't make any sense because they cannot sell them even if they need money to save lives."

The news failed to bring any cheer to the market though. DSEX, the benchmark index of the DSE, dropped 3.02 points, or 0.07 per cent, to close the day at 3,964.28. Turnover rose 5.4 per cent to Tk 53.88 crore.

Among the traded stocks, 27 rose, 24 declined and 247 remained unchanged.

"Most of the stocks are not trading on most days because of a lack of buyers. It has been continuing since the floor price was introduced," said an asset manager.

Bangladesh's stimulus package second highest among peer countries

Experts see challenges in implementation

REJAU KARIM BYRON and MD FAZLUR RAHMAN

Bangladesh's stimulus packages aimed at mitigating the impact of the coronavirus pandemic are one of the highest among a selective group of countries in Asia, according to a government paper.

The government has announced 19 stimulus packages amounting to Tk 103,117 crore since it reported the country's maiden cases of coronavirus infections on March 8.

The combined support accounted for 3.7 per cent of the country's gross domestic product (GDP), according to the mid-term macroeconomic policy statement of the finance ministry.

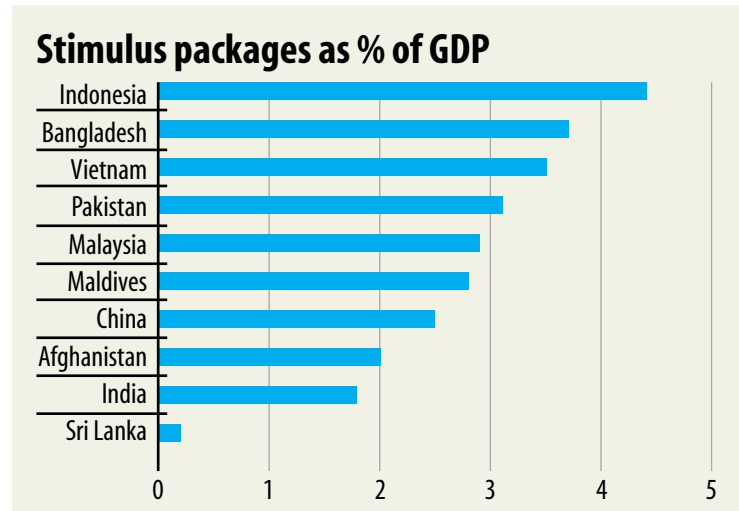
Among the select group of countries, Bangladesh only lags behind Indonesia in terms of stimulus packages compared to GDP.

The Southeast Asian country has announced stimulus packages worth 4 per cent of GDP.

Vietnam has declared stimulus packages amounting to 3.4 per cent of GDP, Pakistan 3.1 per cent, Malaysia 2.8 per cent, the Maldives 2.8 per cent, China 2.5 per cent, Afghanistan 2 per cent, India 1.1 per cent and Sri Lanka 0.2 per cent.

Bangladesh's stimulus packages have been provided in the form of low-cost loans to affected micro, small, medium and large industries and services, food security, social protection, special allowances and incentives as the pandemic-induced shutdown paralysed the economy, destroyed millions of jobs and created new poor.

"The fiscal and financial package is the largest in the South Asia region," said Finance Minister AHM Mustafa Kamal in his budget speech on Thursday.



Amidst this unprecedented global crisis, the prime minister has announced several stimulus packages to stand by the poor and helpless people, keep the momentum in economic

activities and bring back the trend in growth and development, he said.

"These are akin to the bold steps she took to save the country during the Asian Financial Crisis in 1997 and the Global Recession in 2009."

Of the stimulus packages, Tk 5,000 crore went to the export industry, Tk 20,000 crore to the micro, small and medium enterprises, Tk 30,000 crore to large industries and services, and Tk 5,000 crore to the agriculture sector.

Given the huge demand from enterprises, such allocation is not likely to be adequate.

Enterprises with shortages of working capital, which, in turn, could force them to go for downward adjustment and operate with fewer people, said the Centre for Policy Dialogue on Friday.

Timely disbursement of credit among the affected farmers, vegetable producers, small dairy and livestock farmers, fruit-growers and shrimp farmers are urgently needed, the think-tank said.

Cement makers lament over unmet demands

JAGARAN CHAKMA

Cement manufacturers are frustrated over their demands being left unaddressed in the proposed budget, from which they had hoped to avail some assistance to cope with losses

incurred for the pandemic.

A 60 per cent cut in import duty on clinker and waiver of interest on existing loans were sought by the Bangladesh Cement Manufacturers' Association (BCMA).

"We import clinker at \$42 per tonne but when we go to pay duty, customs always takes the cost price to be \$50 per tonne -- it is so unfair," said Md Alamgir Kabir, president of the BCMA.

Subsequently, the association

called for the import duty on clinker, the sector's major raw material, to be brought down to at least Tk 300 a tonne from the existing Tk 500.

Cement manufacturers are passing through hardship as they had zero sales during the countrywide closure in the last two-and-a-half months.

Kabir spoke of the manufacturers having deposited about Tk 750 crore as adjustable advance income tax in the past seven years.

Amazon's business practices examined by two US states

State investigators in both California and Washington are examining Amazon's business practices, two newspapers reported, citing people familiar with the matter.

The inquiries focus at least in part on how Amazon treats sellers in its online marketplace, the Wall Street Journal and the New York Times reported on Friday.

Amazon declined to comment on the report of an investigation by California. It was not immediately available for comment outside regular market hours on the Washington review report.

The reports said California state is reviewing Amazon's practices on selling its own products in competition with third-party vendors. Amazon said its in-house products only account for about 1 per cent of its total annual retail sales.

Washington state is also investigating whether Amazon makes it harder for sellers to list their products on other websites, the NYT reported. The inquiries did not appear to be in advanced

stages, the NYT report added, citing sources.

A spokeswoman for the Washington attorney general told the NYT that the office did not confirm or deny investigations.

California attorney general's office told the NYT that it does not comment on any pending or potential investigations.

The California and Washington attorney generals were not immediately available when approached by Reuters for comment.

The US House of Representatives Judiciary Committee last month called on Chief Executive Jeff Bezos to testify about allegations that Amazon uses data from its own third-party sellers to create competing products.

Amazon is already being investigated by the European Commission for its dual role as a marketplace and as a rival, after complaints from traders.

It may also face EU antitrust charges in the coming weeks over its use of data on merchants with whom it competes on its platform, Reuters reported on Thursday, citing a source.



Airbnb partners with Brazil virus hotspot Sao Paulo to revive tourism

REUTERS, SAO PAULO

Home rental firm Airbnb struck a partnership with Brazil's Sao Paulo state to encourage tourism once the novel coronavirus crisis has passed, a company executive said on Friday.

Virus hotspot Sao Paulo is the first destination in Latin America chosen by Airbnb as part of a global push to revive its business as authorities ease coronavirus-related restrictions on tourism.

"Sao Paulo state is at the core of our Brazil strategy and originates many travelers," Airbnb's director of governmental and institutional relations for Latin America, Flvia Matos, told Reuters in an interview on Friday.

Airbnb will have an exclusive page on Sao Paulo state's destinations in its platform and will also share with the local government data and information on what is happening elsewhere in the globe.

Fed's Bostic calls for end to racism, says Fed can play a role

REUTERS

Atlanta Federal Reserve Bank President Raphael Bostic, the Fed's only African American policymaker, on Friday issued an impassioned call for an end to racism and laid out ways the US central bank can help do so.

"I have shared in the outrage of the truly horrific events that brought us to this point," Bostic wrote on the bank's website, referring to the May 25 killing of George Floyd during an arrest by Minneapolis police, as well as police brutality and racism more broadly.

The Fed, he said, "can play an important role in helping to reduce racial inequities and bring about a more inclusive economy, he said, which would represent a rebuke of systemic racism and other exclusionary structures."

It is rare for a Fed policymaker to take a public stance on an issue traditionally seen as outside the US central bank's wheelhouse, especially one seen as politically fraught.

Fed Chair Jerome Powell on Wednesday called out "the pain of racial injustice," but Bostic's statement went further, linking the Fed's very mission to the mass protests against racism that have taken place around the world.

The Fed's response to the pandemic and its aggressive pursuit of its goals of stable inflation and full employment, Bostic said, is one way it can contribute to ending racism, by laying the groundwork for businesses to grow faster, hire more workers, and create "opportunities for African Americans and others who have not been as attached to the economy."

Saudi Arabia's Amlak International announces intention to float

REUTERS, Dubai

Saudi Arabia's Amlak International for Real Estate Finance will proceed with an initial public offering of 30 per cent of its shares on the Riyadh exchange, it said in a statement on Sunday.

Amlak, a real estate financing company with assets of around 3.1 billion riyals (\$826 million), said the final offer price would be announced

on June 30 following a book-building process which starts on June 22.

Saudi Arabia's NCB Capital is the sole financial advisor, bookrunner, underwriter and lead manager for the deal, which will have two tranches, to retail and institutional investors. Major shareholders will be subject to a six-month lock-up period. Amlak's shareholders include the Saudi Investment Bank and

Amlak Finance, a Dubai-based Islamic mortgage company.

"Driven by population growth and supportive government policy, housing demand in the kingdom is expected to increase 188,000 units per year until 2021, increasing to 203,000 per year from 2022-2025 and to 219,000 per year from 2026-2029," the company said.

Germany earmarks \$563m to boost training

REUTERS, Berlin

Germany plans to make 500 million euros (\$563 million) available to firms to prevent a collapse in company training and apprenticeships due to the coronavirus crisis, a document seen by Reuters on Sunday showed.

Chancellor Angela Merkel's government has already agreed two stimulus packages totaling 880 billion euros to mitigate the impact of a lockdown to contain the pandemic as Europe's biggest economy braces for its worst recession since World War Two.

"We must prevent the COVID-19 crisis from turning into a crisis for the professional future of young people and for securing skilled workers," said an outline of the plan, due to be approved by Merkel's cabinet on Wednesday.

The program includes a training bonus of up to 3,000 euros for small and mid-sized companies that have been hit hard by the crisis. Aid will

also be available to firms that avoid putting apprentices on a short-time work scheme or if they take on trainees from insolvent firms.



A worker stands amid sparks of raw iron coming from a blast furnace at a ThyssenKrupp steel factory in Duisburg, western Germany.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
বাংলাদেশ পুলিশ
উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন
ঢাকা মেট্রোপলিটন পুলিশ
তেজগাঁও, ঢাকা-১২১৫।

স্মারক নং-০৬৫/ডিসি/উইসি এন্ড আই ডি/২০২০
উন্মুক্ত দরপত্র বিক্রয়
তারিখ-১৪-০৬-২০২০ খ্রিঃ।

"দি পাবলিক প্রকিউরমেন্ট আইন" ২০০৬ এবং রেগুলেশন ২০০৮ এবং তৃতীয় সংশোধনী আইন মোতাবেক ২০২০-২১ অর্থ বছরে ঢাকা মেট্রোপলিটন পুলিশের উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশনে ব্যবহারের জন্য নিম্নবর্ণিত প্রাপ্ত বিভিন্ন আইটেমের জন্য টেন্ডারের নিয়োগের লক্ষ্যে প্রয়োজনীয় মেয়াদে সম্পূর্ণ প্রকৃত বাংলাদেশি ঠিকানা/সরকারী/প্রাইভেটের নিকট হতে সীলমোহরকৃত বামে উন্মুক্ত দরপত্র আহবান করা যাবে। একজনকেও প্রয়োজনীয় তথ্য সংগ্রহ নিয়ে যোগাযোগ করা যাবে।

১. মন্ত্রণালয়/বিভাগ	বাংলাদেশ পুলিশ
২. সংস্থা	উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, ঢাকা মেট্রোপলিটন পুলিশ, ঢাকা।
৩. দরপত্র গ্রহণ কর্তৃপক্ষ	উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, ঢাকা মেট্রোপলিটন পুলিশ, ঢাকা।
৪. দরপত্র আইটেমের নাম	<p>এম-ক) মোটরসাইকেল এম-খ) মোটরসাইকেল এম-গ) মোটরসাইকেল এম-ঘ) মোটরসাইকেল এম-ঙ) মোটরসাইকেল এম-চ) মোটরসাইকেল এম-ছ) মোটরসাইকেল এম-জ) মোটরসাইকেল এম-ঝ) মোটরসাইকেল এম-ঞ) মোটরসাইকেল</p> <p>এম-এ) ইন্টারনেট/ফায়ার/টেলিফোন এম-বি) ডিভিশন ও শৈল ডিভিশন এম-সি) আসবাবপত্র এম-ডি) আসবাবপত্র মোবাইল এম-ডি) অন্যান্য মনিটরিং এম-পি) ব্যবহার্য স্ট্রাকচার এম-কি) অফিস যন্ত্রপাতি ও সরঞ্জামাদি এম-খি) যন্ত্রপাতি ও সরঞ্জামাদি মোবাইল</p>
৫. দরপত্র আহবানের সূত্র ও তারিখ	স্মারক নং-০৬৫/ডিসি/উইসি এন্ড আই ডি/২০২০, তাং- ১৪/০৬/২০২০।
৬. টেন্ডার সিকিউরিটি	টেন্ডার সিকিউরিটি প্রাপ্ত বিভিন্ন আইটেম হিসাবে প্রাপ্ত "ক" এর জন্য ১,০০,০০০/- (এক লাখ), এম- "খ" এর জন্য ৭০,০০০/- (সত্তর হাজার), এম "গ" এর জন্য ১৫,০০০/- (পনের হাজার), এম "ঘ" ১৫,০০০/- (পনের হাজার), এম "ঙ" এর জন্য ১৫,০০০/- (পনের হাজার), এম "চ" এর জন্য ২০,০০০/- (বিশ হাজার), এম "ছ" এর জন্য ২০,০০০/- (বিশ হাজার), এম "জ" এর জন্য ১৫,০০০/- (পনের হাজার), এম "ঝ" এর জন্য ১৫,০০০/- (পনের হাজার), এম "ঞ" এর জন্য ১৫,০০০/- (পনের হাজার), এম "ট" এর জন্য ৩০,০০০/- (ত্রিশ হাজার), এম "ঠ" এর জন্য ৩০,০০০/- (ত্রিশ হাজার), এম "ড" এর জন্য ১৫,০০০/- (পনের হাজার) এম "ডি" এর জন্য ৩০,০০০/- (ত্রিশ হাজার), এম "ডি" এর জন্য ৩০,০০০/- (ত্রিশ হাজার), এম "পি" এর জন্য ৫০,০০০/- (পঞ্চাশ হাজার), এম "কি" এর জন্য ১৫,০০০/- (পনের হাজার), এবং এম "খি" এর জন্য ১৫,০০০/- (পনের হাজার), (ফেরত মেয়াদ) টাকা বাংলাদেশ সরকার কর্তৃক অনুমোদিত যে কোন সিকিউরিটি ব্যাংক এর চে-অফিস/বাংক ড্রয়ফট উপ-পুলিশ কর্মসূচির, উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, ঢাকা মেট্রোপলিটন পুলিশ, ঢাকা এর অনুমোদন দরপত্রের সাথে সংযুক্ত করে দাখিল করতে হবে।
৭. দরপত্র ক্রয়সূত্রের মূল্য	প্রতি প্রাপ্ত আইটেম এর জন্য ৫০০/- (পাঁচ শত) টাকা (অফেরত মেয়াদ)
৮. দরপত্র পদ্ধতি	উন্মুক্ত দরপত্র পদ্ধতি (OTM)
৯. দরপত্রের অর্ধের উদ্য	পুলিশ মেট্রোপলিটন কর্তৃক স্বাক্ষরিত অর্ধ
১০. দরপত্র দাখিল করার সর্বশেষ তারিখ ও সময়	০৫-০৭-২০২০ খ্রিঃ তারিখ অফিস চলাকালীন সময়ে (১৭.০০ ঘটিকা) পর্যন্ত প্রতিদিনের প্যন্তে আহবানের মাধ্যমে দরপত্র দাখিল করা যাবে।
১১. দরপত্র দাখিলের সর্বশেষ তারিখ ও সময়	০৬-০৭-২০২০ খ্রিঃ ১২.০০ ঘটিকা
১২. দরপত্র খোলার তারিখ ও সময়	০৬-০৭-২০২০ খ্রিঃ ১২.০০ ঘটিকা (দরপত্র সাতা অথবা তার প্রতিনিধির সত্বতে যদি কেহ উপস্থিত থাকেন) দরপত্র খোলা হবে।
১৩. দরপত্র দাখিল করার স্থান	১) উপ-পুলিশ কর্মসূচির, উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, তেজগাঁও থানা কমপ্লেক্স, ঢাকা এর কার্যালয়।
১৪. দরপত্র জমা দেয়ার স্থান	উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, তেজগাঁও থানা কমপ্লেক্স, ঢাকা এর অফিস কক্ষে সূক্ষিত দরপত্র যাবে।
১৫. দরপত্র খোলার স্থান	উপ-পুলিশ কর্মসূচির (উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন) এর কার্যালয়, তেজগাঁও থানা কমপ্লেক্স, ঢাকা।
১৬. দরপত্র আহবানকারী কর্তৃপক্ষ	উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, ডিএমপি, ঢাকা।
১৭. দরপত্র আহবানকারীর পদবী ও ঠিকানা	উপ-পুলিশ কর্মসূচির, উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন, ডিএমপি, ঢাকা।
১৮. দরপত্র দাখিল করার প্রাকযোগ্যতা	পিপিআর/২০০৮ এবং বর্তমান সংশোধনী মোতাবেক দরপত্রের সাথে নিম্নবর্ণিত দাখিলকৃত কাগজপত্রাদি প্রদান প্রার্থীকে প্রকিউরমেন্ট কর্তৃক সত্যায়িত করে দাখিল করতে হবে। ক) দাখিলকৃত সনদপত্র খ) সনদ চোকা ২ (দুই) কপি পালপোর্ট সাইজের সত্যায়িত ছবি গ) হলদেমালা ট্রেড লাইসেন্স ঘ) টিআইএন নম্বর উল্লেখ সহ হলদেমালা অফিসের সনদপত্র ঙ) মূলক (জাতি) রেজিস্ট্রেশন সনদপত্র চ) যে কোন ডকুমেন্টারি বায়বেল হতে হোলসেলের আর্থিক স্বত্বস্বত্বের সনদপত্র (বিধিত ০৩ মাসের সেনসেটের বিবরণী সহ) ছ) কোন সরকারী প্রতিষ্ঠানে কমপক্ষে ০২ বছরের মালামাল সরবরাহের অভিজ্ঞতার সনদপত্র জ) দরপত্র দাখিল কর্তৃক উল্লেখ একটি মূল্যের হিসাব সঞ্চিত আইটেমের মোট সন্ধ্যা মূল্যের ৫% Liquid Asset (Working Capital) সত্যায়িত থাকবে অথবা সনদ পত্র দাখিল করতে হবে।
১৯. দরপত্র আহবানকারী কর্মসূচির সাথে যোগাযোগের মাধ্যম	ফোন-৯১০৩০৫৭, ফ্যাক্স-৯১০৩০৩৮
২০. দরপত্র আহবানকারী কর্তৃপক্ষ কোন কারণে দরপত্র বাতিল করে বা সনদ দরপত্র বাতিল করার ক্ষমতা সংরক্ষণ করেন।	

স্বাক্ষরিত/-
উপ-পুলিশ কর্মসূচির
উইমেন সাপোর্ট এন্ড ইনভেস্টিগেশন ডিভিশন
ঢাকা মেট্রোপলিটন পুলিশ, ঢাকা।

Government of the People's Republic of Bangladesh
Bangladesh Police
Police Headquarters, Dhaka
www.police.gov.bd
Memo No. Admin(Pro)-44.01.0000.009.02.002.(2020-2021)-2229
Date: 14/06/2020

Invitation for Tender

Sealed tenders are hereby invited from the manufacturers/suppliers/local agents in official pad in order to purchase the following items for goods and services.

1. Ministry/Division	Ministry of Home Affairs.
2. Agency	Bangladesh Police.
3. Procuring entity name	AIG (Administration), Bangladesh Police, Police Headquarters, Dhaka.
4. Procuring entity code	Not applicable.
5. Procuring entity district	Dhaka.
6. Invitation for	Goods and Services.
7. Invitation Ref. No.	Admin(Pro)-44.01.0000.009.02.002.(2020-2021)-
8. Date	Date: 14/06/2020

KEY INFORMATION

9. Procurement method	Open Tender Method (OTM).
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FUNDING INFORMATION

10. Budget and source of funds	Revenue Budget (GoB).
11. Development partners	Not applicable.

PARTICULAR INFORMATION

12. Tender No.	04/2020-2021
13. Tender name	1. Purchase Other Machinery And Equipment (অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি ক্রয়) (Item By Item Basis) 2. Repair of Other Machinery and Equipment (অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি মেরামত) (Item By Item Basis).
14. Tender publication date	Date: 15/06/2020
15. Tender last selling date	Up to 12/07/2020
16. Tender submission date and time	Date 13/07/2020
17. Tender opening date and time	Date 13/07/2020
18. Name & address of the offices for selling tender document	Office of AIG (Administration), Bangladesh Police, Police Headquarters, 6, Phoenix Road, Fulbaria, Dhaka.
19. Tender document receiving & opening place	Main Building (Ground Floor & 3rd Floor), Police Headquarters, Dhaka.

INFORMATION FOR TENDERER

20. Eligibility of tenderer	The tenderer must submit the following documents with his/her tender schedule: (1) Up-to-date trade licence (2) Current income tax certificate (3) VAT registration certificate (4) Bank solvency certificate (5) Update bank statement (6) Related work experience (7) NID (8) Other requirements described in the Standard Tender Document (STD)-PG3A.
21. Brief description of goods or works	As per Tender Document (schedule) PG3A.
22. Brief description of related services	Have to supply at Admin Section, Police Headquarters, Dhaka.
23. Price of tender document (Tk)	Purchase Other Machinery And Equipment (অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি ক্রয়) 4,000/- Repair of Other Machinery And Equipment (অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি মেরামত) 2,000/-

24. Sl. No.	Identification of items	Location	Tender security amount (Tk)	Completion time
25. 1	Purchase Other Machinery And Equipment (অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি ক্রয়) (Item By Item Basis)	Dhaka	4,00,000/-	30 June 2021
26. 2	Repair of Other Machinery And Equipment (অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি মেরামত) (Item By Item Basis)	Dhaka	1,50,000/-	

PROCURING ENTITY DETAILS

27. Name of official inviting tender	Md. Masudur Rahman, PPM.
28. Designation of official inviting tender	AIG (Administration), Bangladesh Police, Police Headquarters, Dhaka.
29. Address of official inviting tender	Police Headquarters, 6, Phoenix Road, Fulbaria, Dhaka.
30. Contact details of official inviting tender	Phone: 02-9561414, Fax: 9564210 E-mail: aigadmin@police.gov.bd
31. a) The procuring entity reserves the right to accept any tender party or fully and reject any or all tenders without assigning any reason whatsoever. b) If it is not possible to receive/open the tender on the scheduled date for any unavoidable circumstances, the same will be received/opened on the next working date at the same time & same venue. c) When trade licence & income tax certificate 2020-2021 will be issued for your company you must have to submit it to the procuring entity.	

Md. Masudur Rahman, PPM
BP-7001020888
AIG (Administration)
For Inspector General, Bangladesh Police
Police Headquarters, Dhaka
Phone: 9561414, Fax: 9564210
E-mail: aigadmin@police.gov.bd

GD-988

Partex Furniture's products selling on Evaly

STAR BUSINESS DESK

The products of Partex Furniture are now available on the site of e-commerce-based marketplace Evaly, providing customers with attractive offers.

Customers can buy Partex's beds, sofa sets, kitchen cabinets, doors, dining tables, industrial and office furniture products through evaly.com.bd.

A memorandum of understanding has recently been signed at the head office of Partex Furniture in Tejgaon in this regard.

Mohammad Rassel, managing director of Evaly, and Sushil Chandra Ghosh, chief operating officer of Partex Furniture Industries, inked the agreement. The furniture maker will also deliver products to buyers and provide after-sales services.

"We are delighted to have this brand with Evaly. Partex Furniture is one of the top and customer favorites in the world of furniture," said Rassel.

"At the same time, the company will be able to reach about 2.5 million registered customers through the Evaly platform."

As an online marketplace, Evaly

has quickly and successfully created a buzz among the consumers. During the Covid-19 pandemic, the company has shown its commitment and its capabilities by

delivering a wide range of products to consumers, said Ghosh.

"At the same time, we have realised the importance for e-commerce. At such times, it is

important to make the best use of technology and online platforms to meet the needs of customers and in that case we are happy to get Evaly as our partner."



Mohammad Rassel, managing director of Evaly, and Sushil Chandra Ghosh, chief operating officer of Partex Furniture Industries, attend a deal signing ceremony at the latter's head office in the capital Tejgaon recently. Customers now can buy Partex Furniture's products from the e-commerce marketplace.

American Express JV gets final approval to launch operations in China

REUTERS, Shanghai

China's central bank has given the final nod to a network clearing license for an American Express joint venture, allowing it to be the first foreign credit card company to launch onshore operations in China.

The approval comes against a backdrop of high Sino-US tensions, with disagreements over trade and Beijing's imposition of a national security law for Hong Kong.

The People's Bank of China (PBOC) said in a statement Saturday that it had approved the license for Express (Hangzhou) Technology Services Co., a joint venture between American Express and LianLian DigiTech Co Ltd. It said the move reflected China's continued opening up of its financial industry.

The PBOC said in January that it had received American Express's application to start operations in China.

In a statement, American Express said it expects to begin processing transactions later this year.

"This approval represents an important step forward in our long-term growth strategy and is an historic moment, not only for American Express but for the continued growth and development of the payments industry

in mainland China," Stephen J. Squeri, chairman and chief executive officer of American Express, said.

The PBOC has also approved an application by Mastercard's China joint venture to conduct bank card clearing operations in the country, but the company has not yet received a network clearing license.

Card giant Visa submitted its application in early 2018 and is still awaiting approval.

China is opening its local currency payments market to foreign companies after a decade of lobbying by foreign players seeking direct access to what is expected to soon become the world's biggest bank card market.



A woman wearing a mask walks past the headquarters of the People's Bank of China, the central bank, in Beijing.

Greece ready to open to tourists, PM says safety is top priority

REUTERS, Athens

The safety of tourists is a top priority for Greece as it opens its airports to foreign visitors, Prime Minister Kyriakos Mitsotakis said on Saturday on a visit to the popular holiday island of Santorini.

International flights to and from the country's main airports will resume on June 15, after a nearly three-month lockdown. Accounting for about 20 per cent of Greece's economic output, tourism is vital for the Mediterranean nation, which emerged from a decade-long debt crisis in 2018.

"It is a great pleasure to be here in Santorini... to send a message: Greece is ready to welcome tourists this summer by putting their safety and their health as a number one priority," Mitsotakis said.

Famous for its sunsets and black sandy beaches, the volcanic island draws millions of tourists each year.

Greece has boosted numbers of medical staff on its popular islands. Mitsotakis, wearing a surgical mask, also visited health facilities and doctors on Santorini.

The country will conduct coronavirus tests on all visitors arriving from airports deemed high-risk by the European Union's aviation safety agency EASA from Monday. Visitors will be quarantined up to 14 days, depending on the test result.

Apparel exporters need more support to stay the course

FROM PAGE B4

The government should provide special healthcare support to garment workers, he said, adding that augmented allocation for healthcare, education and industries could be a game-changer for the economy.

"During this critical time, the government should support the backward linkage industries of the garment sector so that they can supply quality products at competitive prices," he said.

Had the government been able to devalue the local currency against the dollar by 10 per cent, no other measures were needed for the sector, said Ahsan H Mansur, executive director of the Policy Research Institute.

Mansur, however, said the government cannot devalue the local currency arbitrarily as the country will then have to foot a huge import bill.

"But the garment sector needs more incentive to remain competitive in the international market and save the jobs of workers."

The apparel industry is not going to see fresh or foreign investment anytime soon, said AK Azad, managing director of Ha-Meem Group, adding that special measures should be adopted for

small and medium enterprises.

"The repayment conditions for their loans taken from the stimulus packages can be eased."

Azad sees gloomy days ahead since new work orders in the sector nosedived by at least 45 per cent.

Mohammad Ali Khokon, president of the Bangladesh Textile Mills Association, demanded 10 per cent cash incentive, instead of 4 per cent, at least for the next six months.

"If Bangladesh doesn't fare well in the EU and the US, Indian and Pakistani exporters will grab those markets. It's about time garment exporters embarked on all-encompassing value addition by improving the primary textile sector," Khokon added.

The government's stimulus package of Tk 5,000 crore for paying garment workers' wages was not enough as many factories could not avail themselves of the fund, said Arshad Jamal Dipu, vice-president of the Bangladesh Garment Manufacturers and Exporters Association.

The government should have brought down the corporate tax for garment factories, he said, adding that the overwhelming target to borrow from the banking sector might shrink the cash flow into the private sector.

New VAT, SD measures looking like silver lining

FROM PAGE B1

"As VAT benefit on motorcycles ends from this fiscal year, we are also expecting a good amount from the two-wheeler sales," said the official, adding that Tk 800 crore would come from the sector.

Besides, the increased excise duty on bank accounts with over Tk 10 lakh debit or credit balance is also likely to bring nearly Tk 300 in extra tax.

The government has raised the excise duty by up to 60 per cent for fiscal 2020-21 and account-holders with more than Tk 5 crore balance in their accounts at any time of the year will face Tk 40,000.

The government logged in Tk 2,339 crore in fiscal 2018-19 through excise duty and the collection from bank balances accounted for most of it, according to the finance ministry and NBR data.

Bangladesh's stimulus package second highest among peer countries

FROM PAGE B1

Altogether, Bangladesh needs to put in place a support measure amounting to 6 per cent of GDP, said SR Osmani, professor of development economics at Ulster University, during a virtual discussion recently.

The real challenges lie in implementing the stimulus packages, according to experts.

Of the stimulus packages, only Tk 3,000 crore would come from the government's coffers, while the rest would come from the central bank or the lenders themselves, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

It is the banks that would take the risk, lend money and implement the packages, he said. According to the economist, it would not be easy for the targeted beneficiaries to receive the funds because of various challenges. It would be tough to lend money to the SMEs at 9 per cent interest rate, a cap the bank has implemented since April.

"How can banks implement the package for the SMEs if they mobilise funds at 6 per cent interest rate?" said Mansur, also the chairman of Brac Bank.

The default rate is high in the SME segment and the rate would be even higher in the current circumstances, he said.

The central bank has stepped in to provide insurance for funds going to the SMEs but banks have to pay 2 per cent for the insurance, he said. The means, banks would get only 1 per cent if they lend to the SMEs.

"Banks would not be interested unless a change is made."

Another Tk 3,000 crore has been set aside

for micro and small industries and service and this would be distributed through microfinance institutes (MFIs).

Under the package, commercial banks would lend to MFIs at 5 per cent. MFIs normally charge 20 to 25 per cent, so if they have to lend this fund at 9 per cent, they are unlikely to come forward, said the former economist of the International Monetary Fund.

"We have to revisit these issues," he said. The rates have to be reasonably market-based; otherwise, the packages would not be implemented.

The stimulus package for the large industries can be implemented at 9 per cent interest rate, but the concern is that the loan defaulters are very powerful and some of them are also directors of banks and they may eat up the package, while real businesses would get nothing, according to Mansur.

Banks would only lend when they are convinced that the loans would be repaid.

He suggested the government constitute a working committee immediately to oversee the implementation of the packages.

The committee should consist of representatives from banks, the central bank and the finance ministry and would identify problems in the implementation process.

The committee would collect data from banks on loans and beneficiaries every day, analyse them and publish a weekly report so that the government and the public can come to know what is happening, he said.

"Close monitoring of the committee is a must and the funds have to be disbursed transparently."

Foreign firms' finished steel product imports must be taxed

FROM PAGE B4

"If the situation continues for a long time, it will be tough for the local steel manufacturers to survive. So, we urge the government to withdraw the duty benefit and allow us to import steel raw materials with zero duty."

Local industries are providing necessary infrastructure material to the government and the private sector and helping them to save a lot of time and money.

"We can meet the entire country's demand." The industry for raw materials of prefabricated steel building has suffered a significant financial loss due to the outbreak of coronavirus as 95 per cent of the industrial raw materials are imported from China, Rizvi said.

According to SBMA, the rapidly growing prefabricated sector faced severe challenges due to the postponement of infrastructure development work and failing to recover bills of completed projects due to the pandemic.

The prefabricated sector had been annually growing on an average of 15 to 20 per cent in the last 10 years and is now a Tk

4,500 crore-market, up from Tk 2,000 crore a decade ago, according to SBMA.

The country's annual demand for prefabricated steel is about 10 lakh tonnes and local manufacturers could manufacture only 4 to 5 lakh tonnes. "The rest comes from India, China, Australia, Japan, Korea and Taiwan."

Steel infrastructure began to show up in Bangladesh in 1985, with the components being initially imported.

In 2001, local entrepreneurs first took up the initiative to build steel infrastructure by themselves, according to industry insiders.

The commercial importers pay 5 per cent customs duty for the import of raw materials of steel goods, whereas the rate hits 25 per cent for local steel manufacturers, said Md Rashed Khan, general secretary of SBMA.

"This duty disparity is not good for the overall industry. That is why we wanted a uniform duty structure for the import of raw material for prefabricated industry."

The customs duty for local manufacturers should be less than what the commercial importers pay for the sake of the country's industrialisation, he said.

Investment amnesty for black money will discourage honest taxpayers

FROM PAGE B4

So, he urged the government to mobilise funds from foreign sources as the debt-GDP ratio is still far below the level considered risky for Bangladesh.

However, for financing, it must be realised that the revenue target is unrealistic and therefore Bangladesh must enter into negotiations with the World Bank, the International Monetary Fund, and the other international organisations for loans with low interest and flexible conditions. Cutting finance of unnecessary megaprojects is also a necessity in this regard, he said.

The allocation for the social safety net programmes is big but it included pension and social allowances, according to Raihan.

But after deducting the pension and

social allowances, the allocation for the poor is not sufficient.

The allocation for the poor should be increased as the poverty rate has spiralled to 40 per cent of the country's population from 21 per cent due to the coronavirus outbreak, he said.

Around 20 per cent of the new poor should be brought under the coverage, he said.

Besides, a huge number of expatriates came back to Bangladesh who have no source of income at this moment, he said. "They should also be brought under the stimulus package."

Sayema Haque Bidisha, research director of Sanem; Mahtab Uddin, research fellow; and Eshrat Sharmin, research associate, also spoke.

Cement makers lament over unmet demands

FROM PAGE B1

"We are not getting back the refundable money from the National Board of Revenue despite applying frequently," he added.

If the government wants the economy to recover, it should give some facilities to save businesses and they would help the government lift up the economy for the next stage, said Mohammed Amirul Haque, managing director of Premier Cement.

The situation is quite different than in any other year, so the government should take the demands of cement manufacturers into consideration so that they can continue to exist, he said.

"We do not want this type of facility over the years. But we need cooperation from the government during exceptional times for survival."

Clinker accounted for \$900 million of the \$1.35 billion worth raw materials that the manufacturers imported last fiscal year.

Due to a lack of mineral resources, local cement manufacturers bring in about 18 million tonnes of clinker every year, according to Haque.

The sector did not get any benefit from the budget counting a loss of about Tk 600 crore from March 26 to May 30, said Md Shahidullah, first vice-president of the BCMA.

He further said factories opened on a limited scale on June 1 as the demand had been close to zero.

With no revenue being generated, questions remain on how the manufacturers would be able to import raw materials and pay additional custom duty, he said.

"If the government does not save businesses, how will it generate taxes and revenue? We hope the government will consider our demands when it passes the final budget in parliament," he said.

The association has forwarded the demands through the Federation of Bangladesh Chambers of Commerce and Industries for inclusion in the

final budget.

Annually \$3 billion or Tk 25,500 crore worth of cement is sold, of which 45 per cent goes to government projects, 30 per cent to real estate companies and the rest to individual consumers, Shahidullah said.

"Cement supply has begun but the sales are nominal at this moment."

Considering the poor economic climate, cement manufacturers would be willing to sell their products at the manufacturing cost, he added.

Cement manufacturers import clinker, gypsum, fly ash and iron slag from China, Hong Kong, India, Indonesia, Thailand, Japan, Korea, Malaysia, Oman and the UAE.

There are about 125 cement manufacturing companies in Bangladesh, out of which 37 are in operation and they have an investment of about Tk 30,000 crore.

The total production capacity of the cement mills was 58 million tonnes in 2018.

Plastic goods makers demand VAT exemption on low-cost wares

FROM PAGE B4

The association said a general order of the National Board of Revenue last year introduced a provision for registering all manufactured products in the plastics sector under VAT irrespective of turnover.

"As a result, it will not be possible to keep factories of the small and medium industry running paying this VAT," he added.

The BPGMEA demanded the cancellation of the NBR's general order, which conflicted with the VAT act, according to the statement.

The government needs to stop wastage and misappropriation of money to increase funding for achieving key targets of the proposed budget.

The association also thanked the finance minister for steps to create new entrepreneurs and jobs, increase investment, expand industrialisation, protect domestic industries and to achieve poverty alleviation and national development targets, the government's vision 2021 and 2041 and sustainable development goals to address the economic crisis arising from the coronavirus pandemic.

Credit guarantee scheme holds the key to successful implementation of stimulus packages

FROM PAGE B4

i) The procedure of inclusion of loans in CGS and triggering claims should be fast, efficient, and transparent -- the entire process should, ideally, be digitised.

ii) The credibility of the CGS largely depends on how claims are handled once they have been submitted. The precise circumstances under which a claim can be made should be clearly articulated in the contractual agreement between the CGS and the lender.

iii) The CGS should have a minimum mandatory waiting period after loan disbursement before a claim can be entered. Our experience suggests this waiting period should be 180 days, as the tenor of the loans made to the CMSME segment is

generally short-term.

iv) The CGS should have the capability to check and restrict multiple claims from a single entrepreneur through different lenders.

A well-designed CGS will be a big step forward in the country's efforts to grow the overall CMSME lending, which, by itself, is a key developmental agenda.

We believe that an effective CGS will accelerate not only the disbursement of funds from the government's new CMSME stimulus package, but also give impetus to the existing portfolios at different banks and, at the same time, encourage banks, who have not yet tried out this segment, to launch their new portfolios.

The author is the managing director of Brac Bank

Credit guarantee scheme holds the key to successful implementation of stimulus packages



SELIM RF HUSSAIN

The government has allotted more than Tk 1 lakh crore, which is 3.7 per cent of the GDP, under 19 different 'stimulus packages', to mitigate the economic effects of the coronavirus pandemic and kickstart our economic recovery.

The Bangladesh Bank (BB), has also taken various policy measures to enhance the banking sector's liquidity and support the roll-out of these stimulus packages and many other customer-friendly initiatives.

These government stimulus packages are extraordinary initiatives, the effective implementation of which, we believe, will contribute strongly to the recovery of the Bangladesh economy.

The majority of the stimulus packages are designed to be delivered to affected enterprises in form of credit (or loans) at subsidised rates.

The BB will lend funds under the stimulus package to banks, who, in turn, will be responsible for the roll-out of the loans to individual customers.

In other words, the banking sector will take on board all customer credit risk.

This pandemic comes at a time when Bangladesh's banking sector is already reeling from the effects of many years of high unproductive loans and tight

liquidity.

On top of it all, the BB imposed a 9 per cent lending rate cap from April 1, which resulted in banks losing between 20 per cent to 35 per cent of their customer lending interest income.

The lending rate cap gives the banking sector little or no room to implement any commercial risk premium in loan pricing and there is justifiable apprehension that, in this environment, few banks will have any risk appetite for the inherently riskier cottage, micro, small and medium enterprise (CMSME) business segment.

What can help here is a credit guarantee scheme (CGS), which provides third-party credit risk mitigation to lenders through the absorption of a portion of the lender's losses on loans made to different client segments in case of a default, typically in return for a fee.

The CGS is particularly used to encourage banks to lend to comparatively riskier segments such as the CMSME.

Most countries in the world have some sort of CGS for CMSMEs and these schemes have invariably been very effective in exponentially growing CMSME credit in those countries.

A look around South and South East Asia, not to mention more developed countries, will give one a pretty clear idea as to how the CGS is used to encourage banks to get into and then grow the CMSME business.

The banking sector has been asking for a CGS for many years now and, in the current circumstances, the need for such a scheme appears even more relevant.

It is reliably learnt that the World Bank is now offering a \$300 million support to the BB to form a CGS for

CSMEs.

The central bank has recently put together a first cut CGS and has shared the same with relevant stakeholders for their feedback. It is expected that a CGS will be rolled out shortly.

An effective CGS will be key to the overall growth of the CMSME segment in Bangladesh and, in particular, the successful implementation of the government's CMSME stimulus package.

Of course, the CGS must be designed such that the overall proposition is commercially viable and easily accessible by both the end user customers and the participating banks.

A poorly designed CGS will not be accepted or executed by important stakeholders and will not serve any purpose.

We believe this is a very opportune moment to share Brac Bank's many years of experience in the Bangladesh CMSME segment and our ideas on how an effective CGS should be designed. The CGS should:

1. Clearly define eligibility and qualification criteria for Financial Institutions (lenders) & CMSMEs.

i) Focus on the micro, cottage and small segment with special incentives for women-owned businesses.

ii) Cover both the working capital (i.e. operational expenditure) and longer-term investment (capital expenditure). It is difficult to differentiate between capital and working expenditure in a CMSME entrepreneur and one should not try to do so. Access to credit is most important for the CMSME entrepreneur and he/she will know how to utilise the funds.

iii) Not be restricted by sector classifications, all sectors of the CMSME

segment (manufacturing, service and trading) should be equally covered iv) Accommodate the re-structuring and re-scheduling of bank loans for better portfolio management.

2. Ensure that CGS is customer- and bank-friendly and can be quickly rolled out.

i) There are two main approaches to a CGS: the individual approach (guarantees provided on a 'loan by loan' basis) and the portfolio approach (banks are allowed to report guarantees on a portfolio basis). We strongly recommend that the portfolio approach is used in Bangladesh because it will allow the bank to respond quickly and reach a larger number of smaller ticket SME borrowers. The size and scale of the Bangladesh CMSME segment are such that a 'loan by loan' approach is impractical ii) The loan ticket size of SME borrowers in Bangladesh ranges between Tk 5 lakh and Tk 1 crore. The CGS should accommodate this range of SME loans.

3. Issue partial guarantees that comply with prudential regulation and provide capital relief to lenders.

i) The CGS should mitigate banks' risk through the guarantee coverage ratio, which is usually expressed as a percentage of the underlying loan exposure. The guarantee coverage ratio should be high enough to actively encourage banks to participate. In the current economic condition, the guarantee coverage ratio should not be lower than 80 per cent.

ii) CGS should also set a cap on the maximum amount claims that will be accepted by the CGS. Our experience, and the portfolio health of the banking sector's current CMSME segment, suggests a cap of 30 per cent

is appropriate for normal times. In the current pandemic situation, the BB could even consider extending the CGS up to 50 per cent. iii) The CGS should provide capital relief to the banks for the proportion of the underlying loan exposure covered by the guarantee.

iv) The CGS should not impose new credit assessment requirements (e.g. 2/3 years' financial, business length, etc.); it should rely on the bank's internal credit assessment system.

v) The loans guaranteed by the CGS should comply with the prudential regulations for loan loss classification.

vi) CGS should allow lenders to exclude the portion of the loan guaranteed by CGS during loan loss provisioning.

4. Set a transparent and consistent risk-based pricing policy to ensure that the guarantee programme is financially sustainable and attractive for both SMEs and lenders.

i) The pricing should be variable and should promote prudent credit culture across the financial industry by offering lower fees to banks with lower default loans.

ii) CGS fees should be commercially viable, and no more than 00.5 per cent for banks with low default loans. Higher guarantee fees will make the CGS unattractive to lenders.

iii) The CGS should allow financial institutions to reimburse the credit guarantee fees from the borrowers (SMEs) themselves.

5. Design an efficient, clearly documented, and transparent claim management process providing incentives for loan loss recovery, and be aligned with the local legal and regulatory framework.

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Plastic goods makers demand VAT exemption on low-cost wares

STAR BUSINESS REPORT

Plastic makers yesterday voiced their displeasure about the lack of incentives for them in the proposed budget for fiscal 2020-21.



The government has not withdrawn the value-added tax on plastic-made dishes, jugs, mugs, bowls, glasses, dishwashers, baskets, buckets, soap trays, garbage baskets, hand fans and spice trays, which were mainly used by financially insolvent people who were now unable to pay higher prices thanks to the present crisis, said the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

Therefore, the association demanded VAT exemption for products like tiffin carriers and water bottles.

Md Jashim Uddin, president of the BPGMEA, though thanked the government for continuing the provision of VAT exemption in the VAT act and maintaining the turnover tax facility.

"Congratulations to the present government for exempting VAT on environmentally friendly plastic granules that are being produced by recycling plastic waste," he said.

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Dairy farms demand higher tariffs on dried milk to boost local industry

STAR BUSINESS REPORT

Dairy farm companies have urged the government to increase customs tariffs on bulk imports of powdered milk to protect the expanding sector, said the Bangladesh Dairy Farmers' Association (BDFFA).

This plea comes soon after the government announced its revenue collection plan for the next fiscal year, beginning on July 1, last Thursday.



"Importing milk powder in bulk is responsible for hurting the local dairy sector and so, it is really a matter of regret that higher import duties have not been levied on this type product," said Mohammad Shah Emran, secretary general of the Bangladesh Dairy Farmers' Association (BDFFA), during a press conference at the Dhaka Reporters Unity yesterday.

The amount of milk powder imported annually has gone up every year since fiscal 2016-17 to meet the country's supply deficit despite the increase in local production.

Bangladesh imported 150 lakh tonnes of milk powder for Tk 2,800 crore in fiscal 2018-19, the same year that 99 lakh tonnes of the dried dairy product were produced locally, according to data from the Bangladesh Bureau of Statistics (BBS) and Department of Livestock.

During the first nine months of the current fiscal year, dried milk imports declined 5 per cent year-on-year to 106 lakh tonnes. Imported milk powder is sold or used by various businesses such as hotels, bakeries and restaurants who can afford to pay increased prices or simply source it locally, the BDFFA said while demanding a 100 per cent hike on import duties for the product.

The BDFFA also asked the government to make livestock feed exempt from import tariffs to create more competition in the fodder market.

The association demanded that dairy farming be treated as a part of the agriculture sector so that companies can pay reduced electricity and water bills instead of being charged commercial rates.

The BDFFA also wants the government to provide a 20-year-long tax benefit for investments in the dairy sector and support from the public sector to establish powdered milk manufacturing plants across the country.

Apparel exporters need more support to stay the course



REFAVET ULLAH MIRDHA

Apparel exporters and textile millers demanded the government accommodate more measures in the proposed budget to recuperate exports and buck up job creation such that the sector can weather the looming economic storm unleashed by the pandemic.

Steps needed to revive exports are absent in the budget, and on top of that, source tax has been jacked up to 0.50 per cent from 0.25 per cent for the sector that fetches more than 84 per cent of the total export earnings, they said. Garment manufacturers said

they get some sort of incentive from the government every year but the support should have been extensive this year given the economic meltdown that is sweeping across the globe.

The garment and textile millers want the government to double cash incentive on export receipts from all destinations to 2 per cent at least for the time being, which, they said, would help them meet their match in the global market.

"The budget is as usual unless some concrete steps are taken to revitalise garment exports," said Mahmud Hasan Khan Babu, managing director of Rising Group, an apparel exporter.

Considering the time and the overall business situation, the garment sector deserves a reduction in source tax to 0.25 per cent and an increase in cash



incentive to 2 per cent, he said.

"We see a grim picture in work orders at least for the next three months as most Western retailers did not reopen their outlets to the full. So we need support to stay the course," said Fazlul Hoque,

managing director of Plummy Fashions, another leading exporter.

Hoque said many of the garment manufacturers cannot borrow from the government-announced stimulus funds because of stringent conditions.

If the conditions are relaxed at least for the micro, cottage, small and medium enterprises, many factories would survive the pandemic-induced recession, he added.

"The finance minister should have planned something big for the garment sector," said Shahidul Haque Mukul, managing director of Adams Apparels.

For instance, he said, the government could have announced more cash incentive on exports to the EU and the US, the two big markets that take about 80 per cent of Bangladesh's total garment shipment.

"This was not the right time to increase source tax," said MA Jabbar, managing director of DBL Group, another top apparel exporter of the country.

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Foreign firms' finished steel product imports must be taxed

Steel building makers demand



JAGARAN CHAKMA

Local steel building makers yesterday urged the government to impose a duty on the import of finished steel products by foreign companies to safeguard the domestic industry.

They also wanted the introduction of a uniform duty on the import of pre-fabricated raw materials of steel building

products in the final budget for the incoming fiscal year.

The Steel Building Manufacturers Association (SBMA) of Bangladesh made the demands through a virtual post-budget press conference from its office on Pragati Sarani in Dhaka.

The duty-free benefit, which foreign companies enjoy for import of finished steel products for the establishment of factories inside economic zones, should be withdrawn, said Jowher Rizvi, SBMA president.

They bring in steel products from abroad although local manufacturers have been



producing such products of global standards inside Bangladesh for a long time, he said.

Some foreign companies have been importing surplus finished steel goods exploiting the duty-free benefit and supplying those products to the open market, creating unfair competition for the local manufacturers, he said.

There are 30 local prefabricated or infrastructure steel makers in Bangladesh, each manufacturing specific items and directly contributing to the country's infrastructure development.

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Investment amnesty for black money will discourage honest taxpayers

Says Sanem in its reaction to proposed budget for fiscal 2020-21



STAR BUSINESS REPORT

The South Asian Network on Economic Modelling (Sanem), a non-profit research organisation, has criticised the move to give investment amnesty for black money, saying the step that had failed earlier to draw a significant response will discourage the compliant taxpayers.

"The government hurt the honest taxpayers," said Selim Raihan, executive director of Sanem, at a webinar on Saturday on Sanem's budget review for fiscal 2020-21.

"Allowing the scope of whitening the black money is anti-constitutional. The black money holders are very smart and they know where they will keep the money."

The government has been giving this chance for the last few years, but this initiative brought no success, said Raihan, also an economics professor at Dhaka University. However, he commended the increased allocation



for health, education, agriculture and social protection.

The finance minister proposed allocating Tk 29,247 crore for the health services division and the health education and family welfare division for fiscal 2020-21, up 13.67 per cent from a year earlier.

The government has set aside Tk 95,574 crore in the social safety net

programmes, which is 16.83 per cent of the total budget and 3.01 per cent of the country's gross domestic product. In last year's revised budget, the allocation was Tk 81,865 crore.

Raihan acknowledged the challenges of designing a budget in the current context of Covid-19. However, he said the proposed budget is not Covid-19 responsive to the extent that it was required to be.

Given the record, there is a reason to be sceptical about the proper implementation of the budget, he said.

In that regard, regular updates should be given on the implementation

of these allocations, especially in the case of the health sector.

Also, a high-powered expert committee might be able to make proper utilisation of the increased allocation for the health sector, he said.

"While the budget does not address the mismanagement, corruption and institutional weaknesses existing in the health sector, availability and accessibility of COVID-19 vaccines have also been left out of the discussion."

He further explained that the budget focuses on the garment sector too much and the other export-

oriented sectors have not been given importance in the same manner.

The health management system in Bangladesh is too weak to bring in massive changes overnight.

Raihan suggested bringing the private hospitals under accountability. Regarding the deficit target of 6 per cent, he said it will not be a problem. There is even scope to widen the deficit for the next two years.

He recommended reducing dependency on bank borrowings for meeting the deficit financing needs as the banks are in a vulnerable situation now.

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